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NATIONALISM IN LATIN AMERICA

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NATIONALISM IN LATIN AMERICA

Chapter I
INTRODUCTION: THE NATURE OF NATIONALISM

Nationalism has been described as a phenomenon which, at its best, is defined as patriotism, and at its worst, as the rampant and aggressive racialism and imperialism of Nazi Germany, Fascist Italy, and Shinto Japan. Hans Kohn, among others, considers it a "state of mind" which is of recent growth and which is a by-product of the evolution of the nation-state in modern political society. Padelford describes it as "the consciousness of belonging together which a group of people have who share, or believe they share, certain common attributes: a common past, a common culture, a common political allegiance, certain common ideals." Whether nationalism, as we know it today, is a recent phenomenon or a new manifestation of a normal human urge, the authorities agree that, in one form or another, it is one of the most powerful forces in present day international society.

If we accept Padelford's description of nationalism as a "consciousness of belonging together," we can see that, in the abstract, this force need be neither wholly good nor wholly bad. It is the behavior of a group in a larger society, its interaction with other groups similarly motivated, that provide occasion for its judgment on ethical or moral grounds. Thus the fierce nationalism of the Spaniards who rebelled against the foreign king imposed over them by Napoleon has been lauded, whereas the excesses committed by the Germans in the name of nationalism during the Hitler regime have merited universal disapproval.

The principle of self-determination, legalized and sanctified

by such universally approved statements as Wilson's Fourteen Points, The Covenant of the League of Nations and the United Nations Charter, has become the foundation stone of nationalism throughout the world. Self-determination in the political sphere, in the economic sphere, or in the cultural sphere, are the battle cries that unite the most diverse groups within a national community, the rallying points for the loyalties of men who have already identified their own vital interests with those of the nation or state and who therefore feel a "consciousness of belonging together."

The form that a nationalistic movement may take, the character and mode of its impingement on other social groups, may be, to some extent, conditioned by the type of cohesive forces from which it derives its predominant strength. Many such cohesive forces can be given, and in most cases the nationalistic urge is based on more than one. Whether one or the other plays the most important part may well depend on the dynamism of the movement, the general political atmosphere of the times, the orientation of the leaders, or the pressure of other dynamic nationalistic movements with which it comes in contact.

Common racial origin, common language, religious affinity, a common political tradition, a common cultural heritage, and geographical factors have been described as motivating and cohesive forces at the basis of the nationalism of various groups. Whatever the basis, a sense of pride in the national group is fostered by the spirit of nationalism, the intensity of this feeling varying with the national characteristics of the group, its common heritage and historical experience, or the efficacy of measures taken by the leadership in

stimulating it.

Another common quality is the feeling of exclusiveness that is engendered by the nationalistic spirit. Implicit in the acceptance of others as members of the common group bound to it and to each other by whatever ties are felt to be symbolical of this spiritual communion, is the rejection of those outside the group, who do not qualify as members by whatever tests or standards are held valid. Suspiciousness of foreigners, of strangers, of people of other nationalities, other races, and other creeds is not an uncommon feeling. This is a natural reaction that may be allayed by friendly intercourse over a long period, or may be intensified by the memories of previous unsatisfactory relations.

Although in the European experience, nation and state are frequently coterminous, and nationalism as a feeling of allegiance to the social group is frequently coincident with loyalty and allegiance to the political community, such is not always the case. The nationalistic feeling may exist with regard to other people of the same cultural background, although living in a different state, and at the same time with regard to people of different cultural backgrounds, but part of a common political entity.

Chapter II
HISTORICAL DEVELOPMENT OF LATIN AMERICAN NATIONALISM

A. Aboriginal Period

When the Spaniards and Portuguese conquered the territory of what are now the Latin American statesthey found Indian nations in various stages of development. The more advanced cultures predominated

in the tropical areas of Central Mexico, Central America, and what are now Peru, Bolivia, Ecuador and parts of Colombia. Less advanced cultures were found in the Caribbean islands and the Amazon and Orinoco basins. Very primitive nomadic tribes occupied Northern Mexico, Chile and the temperate zone areas of Brazil, Uruguay and Argentina.

Beside the differences in culture, fixed in space by the geographical and climatological factors that existed, there were certain unifying forces which kept the early Indian empires together until their overthrow by the Europeans. The Inca or Quechuan Empire in South America was more than a loose confederation of tribes. It was like the Roman empire, a closely knit political, social, economic and religious unit in which the initial differences between conquerors and conquered were gradually dissolved. The peoples of the Quechuan empire were united, not alone in their imposed political union, but also in their common fight to preserve their more advanced culture from the attacks of barbarian tribes such as the Araucanians and Guaranis to the south, and the Arawak and Caribs to the north and east. In these barbarian tribes themselves a nationalist feeling was nurtured by successfully repulsing the attempts of the Incas to civilize them and to extend the empire at their expense.

The importance of this historic tradition in modern days is clear when it is realized that the descendants of the tribes of the Quechuan empire constitute the majority of the population of Ecuador, Bolivia, and Peru, and that the Guarani Indians still constitute the predominant strain in the population of Paraguay.

The aboriginal factor in present day nationalism can be said

to be of an atavistic nature, deeply engrained in the consciousness of the Indians who comprise a predominant part of the population of countries such as Paraguay, Peru, Brazil, Bolivia, Ecuador, Mexico, and most of the Central American republics.

In the countries where--due to their fierce hostility, their incapacity for social organisation, and their inadaptability to the slave labor techniques employed by the European settlers--the Indians were to a great extent exterminated, or where they succumbed to the imported epidemics, the basis of nationalism must be derived from other sources. These countries--Argentina, Chile, Uruguay, Costa Rica, Venezuela, Colombia, and the Caribbean Islands, have a preponderance of European stock among the population, as in the case of the first four, or a complex mixture of European, Indian and Negroid, as in the others with European cultural and sociological factors predominating and completely submerging the aboriginal.

B. The Spanish Influence

At the time of the discovery of America, Spain had just completed the process of national unification which had been completed in England, and to a great extent in France, but had not yet extended to Germany or Italy. The expulsion of the Moors from their last European stronghold, Granada, in fact took place in 1492, but the vast majority of the Spanish states had been consolidated in 1469 by the marriage of Ferdinand of Aragon and Isabella of Castile and Leon. Certain characteristics of the Spanish conquerors and colonizers are of interest in an examination of the roots of nationalism in Spanish

America. They will be briefly discussed:

(1) The feudal nature of the society in Spain tended to foster a spirit of clannishness, to develop a feeling of independence and individuality among the knights and "hidalgos" or lesser nobility, who depended entirely on their own prowess and the strength of their retinue of followers and serfs. This feudal system was transplanted to America and can be found at the base of the development of "caudillismo."

(2) The knights and "hidalgos" were an important class, and it was from their number, rather than from the tradesmen and artisans of the cities or the peasants or emancipated Christians of the fief that the early conquerors, explorers, and colonizers came. They were a very numerous class, perhaps more so than in any other feudal state of Europe, and their life was one mainly concerned with fighting, either with each other, against one prince or another, or against the Moors. Work, the tilling of the soil, and the manual arts of manufacturing and trade were left mainly to the Moorish peasantry, the Christianized Jews, and the foreigners who made their living from trade along the coasts.

(3) Characteristic of this numerous lesser aristocracy were fierce pride and arrogance, quarrelsomeness, a strong feeling of independence and self-sufficiency, and a predilection for individual, rather than collective action. We can see these traits in the "caudillos" of the Wars of Independence and the political "caudillos" of this day.

(4) The isolation of the Iberian peninsula from the rest of Europe, both geographical and cultural, during the long period of the Moorish occupation and the wars of emancipation from Moorish rule fostered a feeling of distrust of foreigners, much more intensely than could be

the case in the rest of the continent. Elsewhere, geographical, cultural, and economic factors tended to promote intercourse among the several nations and states of Europe, but Spain was as remote from the main currents of European culture as was Russia. Portugal was, in fact, another Spanish princedom, and it is an accident of history that it did not become a part of a unified Spain--(actually Portugal and Spain were briefly united under one king, but as separate countries, between 1580 and 1640.) Certain differences in the characteristics of the Portuguese and Spanish people developed, however, which have left their mark in the modern countries of Latin America that owe their original colonization to one or the other.

One primary difference is the attitude toward religion. The Spaniards were, and still to a great extent are, "more Catholic than the Pope." The religious fervor which sustained them in their long struggle against the Moors was somehow transmuted into a crusading zeal that further deepened the cleavages between Catholic Spaniards and foreign nonbelievers, and produced an intolerance as deep-seated as that of the Cromwellian Puritans.

The sensitive pride of the Spaniards, rooted in the remembrance of the past glories of their country, and accentuated by the realization of its current decline is not as easy to discover in the Portuguese.

C. The Colonial Era

The regime that Spain established in America after the Conquest reflected the political and social structures of the mother country. The principal object was exploitation of the rich resources of the colonies

for the benefit of the Crown.

At the basis of the social structure was the system of "encomiendas" or grants. The colonists who came to America were, in the main, and with the exception of priests and administrative officials, soldiers. Men who had fought in the Moorish wars came in search of new fights, new adventures, and personal enrichment. The large number of suddenly unemployed knights and "hidalgos," some with their retinues of servants and retainers, found in the New World the promise of a continuance of their career and the prospect of acquiring wealth which was denied to them in Spain.

To reward them for their services, the soldiers were given land and the authority to use Indians on their lands as workers. This system was started in Santo Domingo in 1503, and its purpose was not only to reward the settlers, but also to facilitate conversion of the Indians to Christianity, a most important aim in the eyes of the Crown. It spread throughout the Spanish colonies and was soon universally accepted as the social order. The "encomienderos" were always peninsular Spaniards, and later their properties were entailed, so as to insure their perpetuation.

The royal authority was exercised by Viceroys in the larger, more important, and pacified regions, and Captains General, military administrators, in the more turbulent and less stabilised areas, where defense against internal or foreign enemies was the paramount concern. A complicated administrative machinery was set up which had for its purpose the exercise of rigid supervision and control from Spain.

One of the devices used to insure central control from the

mother country was the rule that only peninsulars, that is Spaniards, could hold office or aspire to authority, either secular or clerical, in the Indies. As a new class of citizens, the creoles (the children of peninsulars, but born in America) arose, this restriction gave rise to a feeling of discontent and of antagonism toward the privileged peninsulars, which fostered a spirit of regionalism among those so disfranchised. The mestizos (mixed Spanish and Indian or Spanish and Negro) also constituted classes, lower in the social scale, which, however, were bound to the creoles by their common feeling of resentment. From this community of interest grew a community of action against the Spaniards when the spark of revolt was lighted.

There was little intercourse between the colonies, however, as this was discouraged and at times forbidden by the Crown, and the original localistic feeling of the Indians was deepened along the same political and geographic boundaries. In fact the territorial division of the colonies under Spanish rule followed very closely the lines of demarcation of the aborigine empires and nations that they supplanted.

Another factor which tended to foster regionalism in the colonies was the exclusion of nationals of other countries, who were not permitted (with but few exceptions) to settle in the Spanish colonies. This was but a reflection of the Spanish reaction toward foreigners. Distrust and exclusion of foreigners was a tradition of Spain that was transplanted to the new world. Elements of this tradition have been deeply ingrained in the national characteristics of the Latin American peoples. Notable exceptions are perhaps Brazil and Argentina.

The former was colonized by the less xenophobic Portuguese, and the latter has a very high proportion of European immigrant population.

D. The Wars of Independence

Although abortive uprisings took place at various times earlier, the revolts which culminated with emancipation from the Spanish Crown commenced in 1810 and lasted until 1825. There were instances of collaboration between colonies, and their common struggle created bonds of friendship between them, but the national revolts were, on the whole, uncoordinated, and were carried out within the territorial framework of the Spanish administrative divisions in the New World. The fact that intercourse between colonies was discouraged and in many respects prohibited by the Spanish authorities has been mentioned earlier. All the influences of tradition, economic interest, self-interest of the local leaders, and their local self-sufficiency during their struggle for independence, tended toward reinforcing local nationalism rather than creating any trend toward confederation or union between colonies. Only when an outside threat to all created an artificial community of interest could a strong feeling of brotherhood between the colonies (and later the republics) be detected. In fact the Wars of Independence themselves, rather than create a tendency toward solidarity, reinforced latent differences between the colonies and resulted in further fragmentation.

In 1800 there were, among the Spanish colonies, four viceroyalties and four captaincies-general. These eight major administrative divisions gave rise to eighteen republics which have lasted as

independent units up to this date. Although sentimental appeals to common heritage, language and religion have been made at various times toward evolving a Spanish-American community, or a Latin American front, the divisive forces between the countries have proved repeatedly to be far more deep-seated and stronger than those making for union or solidarity.

One hundred and forty years of national tradition, of slowly developing diversity of language, institutions, cultures and habits, of frequent border disputes, clashes of interests, and wars between neighbors, have deepened the cleavages already existing at the time of their independence.

In the very early days of the republics, when the strong ties of common aspirations and a common enemy created conditions most favorable to federation, unions of several of what are now independent republics were tried, but these unions soon disintegrated.

Bolivar's dream was the creation of a federation of republics, and among the countries liberated by him such a federation was launched, but it broke up even before his death.

In Central America, a federal republic of five nations was established in 1823, covering the territory of the Captaincy-General of Guatemala, after one year of union with the Mexican Empire, but this federal republic lasted only until 1840. The idea here has been revived many times since then, but has not made much headway. There are deep differences between the Central American republics which only an overriding and universally recognized common interest can bridge.

Even in Argentina, the early separatist feeling between the

provinces that comprised the Viceroyalty of La Plata kept the "United Provinces" in a state of civil war for many years until they were unified by force under the Roxas dictatorship, but even then the provinces of Paraguay and Uruguay remained as independent countries.

In the great Portuguese colony of Brazil there were initially strong tendencies toward fragmentation. They were kept from deepening by the establishment of a strong, unified government under a Viceroy during the administration of the Marquis of Pombal as Prime Minister in Portugal (1750-77), and by the fact that the Portuguese royal family transferred the capital of the Portuguese Empire to Rio de Janeiro during the French occupation of Portugal. Brazil did not become an independent nation until 1822, when the King refused to return to Portugal and founded the Empire of Brazil.

Chapter III
TRADITIONAL FACTORS REINFORCING NATIONALISM

Political, economic and sociological factors deepened the feeling of nationalism in each country during the early years of their independence.

A. Political Factors

Among the chief political factors was the indefinite character of the boundary lines between the colonies, which gave rise to border disputes. Many of these disputes continue to this day. The Spanish administrative divisions were made to correspond roughly with the limits of the great Indian empires. The boundaries between them were not

clearly defined, and even the Spanish court itself was at times ignorant of the exact administrative division of its colonies. In addition, the boundaries between Spanish and Portuguese colonies were never clearly delineated.

When the colonies won their independence, they accepted the territorial divisions which had been imposed by Spain, but since the limits of these were generally ill-defined, their exact determination was left to future agreements.

The Andes provided a natural boundary between the Captaincy-General of Chile and Viceroyalty of La Plata (Argentina), but the deserts of northern Chile were not clearly assigned to Chile or to the Viceroyalty of Peru, and have been the source of traditional enmity between Chile and Peru.

The northern area of the Viceroyalty of La Plata was organised as the Presidency of Charcas, extending into much of the territory now held by Brazil. Both Bolivia and Paraguay were formed from this territory, and their disagreement as to the exact location of their boundaries has been the source of war and bloodshed throughout their history. In the Chaco War of 1932-35, Paraguay lost the flower of its manhood, and although a settlement has been made, the deep-seated hostility between the two countries has not disappeared.

Peru, Bolivia and Chile fought a bloody war which resulted in the loss, by Bolivia, of its outlet to the sea, and of important territory by Peru. Bolivia's claim to "an outlet to the sea" has been a strong nationalistic slogan in that country, and has kept Peru and

Chile under a constant state of suspicion.

The Tacna-Arica controversy between Peru and Chile kept these two countries in a state of tension for forty-five years, and since the settlement of the dispute by splitting the territory, in 1940, both sides continue to make irredentist claims. This is a particularly good subject for inflaming nationalistic passions, and is not ignored by politicians in either country.

One of the most deep-seated enmities is between Ecuador and Peru. Although these two countries have perhaps more elements in common than any other two South American countries--they were united under the Incas, their population is predominantly Indian of the same stock, and they have geographical features in common--they have a strong source of disagreement in their boundary dispute which has plunged them twice into war. The final settlement, by arbitration in 1942, gave Peru most of the territory in question, and reduced Ecuador's area by almost half. Acceptance of this solution was so unpopular in Ecuador that the President was eventually forced to resign. An irredentist feeling is present there also to feed the flames of nationalism, and to support a feeling of enmity and distrust of the Peruvians. Ecuadorians are particularly bitter because they feel that the powerful "aggressor," Peru, was rewarded for its initiation of the war.

Peru and Colombia have had a long-standing and bitter disagreement over the Leticia corridor, an area in the upper Amazon Valley which gives Colombia an outlet to the South Atlantic through the Amazon River.

Paraguay and Uruguay live in constant fear of domination by

their strong, aggressive neighbor, Argentina. Uruguay actually owes its independence and territorial integrity to the fact that both Argentina and Brazil claimed it as part of their original territory and each is unwilling to see the other in possession. In its early years it belonged first to one and then to the other, and did not become independent until 1828.

Haiti and Santo Domingo have had boundary disputes that have reinforced other causes, of a historical nature, of their deep-seated hostility toward each other.

Another factor, of a political nature, tending to deepen the nationalistic feeling in the Latin American countries, rather than to promote unity, is the form of political institutions. Although republican in theory, most of these nations have been, since their origin, in fact political oligarchies controlled mainly by a small land-owning and propertied class, with the support of the army officers. Although the growth of a certain amount of social consciousness among this class, and the opposition of a liberal minority among middle class and labor groups have placed some restraints in recent years on their activities, the propertied class has maintained firm control over most of the countries. Within the oligarchy are groups of diverse interests, and in the struggles for power, there is a constant realignment of groups under the leadership of strong leaders. Political issues are determined in terms of personalities, rather than programs. The natural tendency of the general public toward the acceptance of "Caudillismo," previously mentioned, is exploited. The leaders find it advantageous, in order to obtain whatever popular following they consider necessary as well as to enlist the support of

army officers, to promote a nationalistic spirit, usually fanned by stressing sovereignty--that is freedom from foreign interference. Disputes and differences with neighboring countries are played up, and the history of previous clashes is kept alive for this purpose. Political differences are usually resolved by appeal to force, and the support of the army is necessary in order to seize power and maintain it. Uruguay, Costa Rica and Colombia have been countries where the power of the army has been kept under control and the democratic process has been followed as the normal rule, but they also have had their share of coups and revolutions.

B. Sociological Factors

There are racial and cultural differences which set the various Latin American nations apart and serve to foster nationalism. The differences in the proportion of Indian and European stock in the populations have been mentioned earlier. The "white" republics have a feeling of racial superiority towards those where the Indian, mestizo, or Negroid elements predominate, which is not calculated to promote a fraternal spirit. On the other hand, those of almost pure Indian stock have in that fact a source of nationalistic pride which they do not hide.

In their attitude toward the church, there is great difference between the various republics. In the days of the Wars of Independence, there was popular anticlerical reaction, based not only on the great power of the Church, but also on its strong support of the Spanish regime. The most extreme reaction took place in Mexico during its 1910 revolution,

when the Church was all but banned from the country. Reaction was less violent in other countries, and in some, Mexican "atheism" is still a source of very deeply seated antagonism toward that republic.

C. Economic Factors

In addition to the above-mentioned political and sociological influences tending to separate the various republics into national entities, and to keep a nationalistic feeling alive, there are also economic factors having their origin in the colonial era and in the early history of the various countries.

Among the advanced social groups functioning at the time of the conquest the Inca empire was the most thoroughly integrated. The areas now occupied by Ecuador, Bolivia and Peru were a well knit economic unit, held together by an extensive network of highways, with the main arteries running north and south, and with feeder highways joining the coastal regions of the west and the jungle regions of the interior to the main highways.

The Spaniards shifted the pattern of activity. The highways from the mines of the Andes to the ports of the Coast became the most important economic arteries, and the volume of communication along the north-south axis rapidly decreased to a vanishing point. A new economic orientation resulted, which was officially encouraged and recognized when Ecuador was detached from Peru and placed under the Viceroy of New Granada (now Colombia) in 1739, and Charcas (now Bolivia) was later placed under the Viceroy at Buenos Aires. The economic ties built up over centuries of the Indian regime were thus severed and artificially

reoriented in a new pattern. Had the Indian system been retained, it is probable that Ecuador, Peru, and Bolivia would have remained an economic entity and that many of the conflicts of interest between them might have been softened by the pull of economic interdependence. This has not been the case, however, and these countries have remained economically separated from each other.

There had been no reason for existence of economic ties between the other colonies at the time of their founding, and their organization into independent political and economic units, each controlled from Spain, was such as to discourage new ties from developing.

The Spanish colonies in the New World were the property of the Crown, and the purpose of colonization was avowedly to bring wealth to the Crown, by production of precious metals and later of such commodities as could find a profitable market in the mother country. The colonies were to provide the raw materials needed by Spain, and to absorb the surplus of Spanish manufactures. Local manufactures were discouraged, as this provided competition to the home merchants, and a strictly centralized control of all the commerce, through the ports of Cadiz and Seville, required that commerce between the colonies be forbidden. Trade with foreigners was also prohibited, although a considerable amount of smuggling took place, and British, Dutch, and French smugglers laid the foundation for later extensive trade between the colonies and other countries of Europe. At the beginning of their independence the new republics thus found themselves geared to an economic system in which they were essentially producers and suppliers of raw materials, and depended almost entirely on trade with the countries of Europe for even

the simplest manufactured or processed articles. The colonial economies were in no sense complementary to each other--some were in fact competitive.

There was some liberalization of the trade laws late in the eighteenth century, but the pattern of trade had by that time been deeply entrenched, and the main result of the new laws was to divert much of the trade from Spain to other European countries in a way legalizing the pattern set up by the smugglers.

Chapter IV
REACTION TO UNITED STATES POLICIES IN LATIN AMERICA

The nationalism observable in the Latin American countries is essentially local, not regional. Each country is jealous of its own sovereignty, proud of its history, resentful of foreign interference, whatever its source, and suspicious of its more powerful neighbors. Only the threat, real or fancied, of foreign domination, has drawn them together into any kind of a co-ordinated front. On those occasions, sentimental appeals to the common language, common racial origin and culture have been played up artificially to stimulate a spirit of collaboration but the strength of those ties has been seen to be small compared to the deep-seated forces inhibiting any true feeling of fraternity among them.

During the past 140 years, the regionalistic aspect of nationalism has been kept alive by common reaction to the policies and actions of outside powers which have had the strength and at times the willingness to encroach on what the Latin American countries have

considered their vital interests: political and economic independence.

Because of its overwhelming strength, its nearness to some of the countries, and the apparently aggressive nature of some to its policies during the past century, the United States has at times become, to the Latin American countries, the symbol of what they dread and fear.

England and Germany have at times created nationalistic reactions in the Latin American countries but, on the whole, it has been the United States which has, more than any other power, provided the fuel to fan the flames of an excessive nationalism that crossed boundaries, submerged differences and drew together the twenty countries into a single front, united in their opposition to American policies, and to Pan-American co-operation under United States leadership. This phase of Latin American nationalism has been its most dangerous aspect, and since it impinges directly on United States policies, United States security, and United States interests it is worth examining in some detail. It is nationalism which is channeled, not inwardly toward the developments of internal cohesion, internal progress, self-reliance and international responsibility, but outwardly, in opposition to one country and its policies, toward the sowing of distrust, suspicion, fear, and hatred in international relations. It is a distortion of the positive qualities of patriotism into the negative qualities of xenophobia.

Most of the attitudes toward the United States prevalent in Latin America are the result of comparatively recent events, but some reach back to the earliest days of the republics.

A. Early United States Policies

Aside from a few leaders such as Hamilton and Knox, the general

attitude of official United States toward the colonies to the south fighting for their independence was one of neutrality. To some, although there was a feeling of sympathy toward fellow revolutionists rising against oppression, the struggle in South America was closely related to those affairs of Europe from which they were determined to remain aloof. At a time when the United States was desperately trying to remain neutral between England and France, embroilment in a controversy with Spain did not appear attractive. President Madison insisted on a policy of neutrality in the war between Spain and her colonies, not only because of the desire to refrain from additional foreign commitments, but also because of the negotiations with Spain concerning Florida. This policy was continued under President Monroe, and it was not until after the ratifications of the 1819 Treaty with Spain were exchanged in 1821 that the President felt free to acknowledge officially the independence of the South American republics. The Neutrality Acts of 1816 and 1818 were designed to discourage United States nationals from participating in the revolutions, and prohibited unneutral acts against Spain.

It is true that the United States neutrality was "benevolent" in that it treated the revolutionists as belligerents and thereby gave them a status in international law. The sentiment in the country at large and in the government was sympathetic toward the revolutionists, but could not, in view of the larger United States interests receive an official expression.

The reaction among the leaders of the independence movement was one of disappointment at the failure of the expected support to materialize, but this was counterbalanced by the unofficial support

received and by the leadership exercised by the United States in extending recognition to the new governments.

The United States delay inrecognizing the South American republics can certainly be justified on the basis of the vital and overriding importance to the United States of maintaining, first a neutral Spain during the War with England which commenced in 1812, and later, a worried Spain during the final negotiations concerning Florida and the West. The importance of these negotiations is seen when the terms of the final treaty are examined. By this treaty, not only did the United States obtain clear title to all of Florida from Spain, but also the boundaries between United States and the Spanish colonies were fixed all the way to the Pacific Ocean.

The final ratification by the United States Senate took place on February 22, 1821, and on March 8, 1822, President Monroe sent a special message to Congress declaring that Chile, the United Provinces of La Plata (Argentine), Peru, Colombia, and Mexico were in fact established as independent states, although fighting was still going on in Colombia and Peru. The Brazilian Empire was recognized in 1824.

Monroe's message of March 8, 1822, was widely acclaimed throughout Latin America as an act of friendship and solidarity, and it ushered in an era of good feeling between the United States and most of the Latin American republics.

B. The Monroe Doctrine

On December 2, 1823, President Monroe sent his now famous message to Congress asserting "as a principle in which the rights and

interests of the United States are involved," that the American continents..."are henceforth not to be considered as subjects for future colonization by any European powers," and further stating with regard to the governments in the Americas "who have declared their independence and maintained it, and whose independence we have, on great consideration and just principles, acknowledged, we could not view any interposition of the purpose of oppressing them, or controlling in any other manner their destiny, by any European power, in any other light than as the manifestation of an unfriendly disposition toward the United States." After stating that the United States would pursue a strict policy of neutrality between Spain and the insurgent colonies, he warned that interposition by third powers could not be seen with indifference by the United States, and that "it is still the true policy of the United States to leave the parties to themselves, in the hope that other powers will pursue the same course."

The first warning was intended for Russia, which had designs on extending its empire along the Western Coast of North America, and to such powers as might want to move in on the ruins of the Spanish Empire. The second warning was intended to make the United States' position clear in connection with any possible interference by the powers of the Holy Alliance in behalf of Spain.

It is now known that the danger of any interference on the part of the Holy Alliance was past, since Great Britain had indicated opposition to it and had obtained France's agreement not to support Spain, but at that time this was not well known either in Washington or the South American capitals, and the forthright expression of United

States policy was widely hailed throughout the new republics.

Although the policy of the United States was clearly described as one of strict neutrality, the President's message was interpreted as best suited to the hopes and aspirations of the new republics. For example, on December 2, 1823, the Brazilian Charge proposed to Secretary of State Adams that the United States and Brazil enter into an alliance to preserve Brazil's independence, on the basis of the principles of the Monroe message. The Venezuelan newspaper "El Venezolano" on January 17, 1824, in an editorial interpreted the message as implying that the United States could scarcely follow a policy of strict neutrality, if Spain were being used as a cover for European ambitions against the new republics.

Vice President Santander of Colombia in a letter to Bolivar on February 6, 1824, interpreted the Monroe message to mean that the United States would prevent intervention of any power in behalf of Spain. Bolivar, in a letter of instructions to the Peruvian delegates to the Congress of Panama suggested that an anti-Spanish proclamation by the Congress should include "such an energetic and efficient declaration as that made by the President of the United States....in opposition to the principle of intervention in our domestic affairs." In Argentina the Monroe message was mentioned with approval in a message from Secretary Rivadavia to the Congress of the United Provinces of La Plata, on May 3, 1824.

In general the Latin American republics assumed that the United States had adopted a policy of co-operation with them as against the old world governments, and hopefully stretched the meaning of the words

of President Monroe's message to cover a desire for closer alliance and some system similar to a modern collective security arrangement. This was not the United States' intention, as shown by President Adams' message to the Senate on December 26, 1825, concerning the Panama Congress and United States representation in it: "....the United States neither intend nor are expected to take part in any deliberations of a belligerent character....the motive of their attendance is neither to contract alliances nor to engage in any undertaking or project importing hostility to any other nation," and further: "An agreement between all the parties represented at the meeting that each will guard by its own means against the establishment of any future European colony within its borders may be found advisable. This was more than two years since announced by my predecessor to the world as a principle resulting from the emancipation of both the American continents."

This difference in interpretation of the purpose and meaning of the Monroe Doctrine was to cause deep misunderstanding between United States and the Latin American republics in later years, as the Latin Americans slowly and reluctantly discovered that the doctrine was not the guarantee of their territorial integrity that they had assumed it to be.

After the issuance of the Monroe Doctrine, the United States tendered its good offices with a view to a final acceptance by Spain of the new status of her former colonies. Spain's first act of recognition was a treaty with Mexico signed on December 28, 1836, and treaties with other republics followed. United States help was naturally appreciated.

The Constitution of the United States had an influence on many of the Latin American constitutions, and the political wisdom of the founding fathers of the United States, and particularly of Washington, was widely acclaimed in messages, editorials and speeches.

After 1830, and until the annexation of Texas in 1845 and the ensuing War with Mexico, relations with the United States had little effect on the nationalism of the southern republics. Great Britain, France, and Spain continued to claim their attention as foreign powers to fear. England had furnished financial assistance during the Wars of Revolution, and after independence provided loans and capital investments, as well as important trade outlets which gave her a dominant interest in many of the republics. In 1833, however, she seized the Argentine Maldivas Islands (Falkland Islands), in 1838 took over the Island of Ruatan, belonging to Honduras, and in 1840 proclaimed her sovereignty over Belize (now British Honduras), and also declared a protectorate over the Mosquito Indians, occupying the eastern coast of Honduras, Nicaragua, Costa Rica and part of what is now Panama. France intervened in the River Plate region in 1838 and in that year also occupied Vera Cruz, Mexico, temporarily. In 1845-49 France and England jointly invaded the River Plate estuary but were repulsed by the Argentines. Continued fear of attempts by Spain to reconquer some of her old possessions was enhanced by her tardiness in recognizing some of the new republics.

Whereas United States fiscal and commercial investments in Latin America were comparatively small during this period, England exercised a dominant position in these fields and as a result was the

object of distrust and suspicion.

During the remainder of the 19th century, the attention of the United States was concentrated on its internal development and expansion to the Pacific, and the Latin Americans were looking mostly to Europe.

In spite of the obvious implications of the Mexican War, the Latin American countries continued to look to the United States, the strongest American republic, as a guarantor of the New World against encroachment by nations of the Old World.

Until the turn of the century actions and diplomatic interventions by the United States were generally on the side of the Latin American republics and against European attempts at intervention. On these occasions the interests of the United States coincided with those of the Latin American countries, and the United States and the Monroe Doctrine, frequently quoted as the basis for action, continued to enjoy popularity in the southern republics.

Some of the occasions in which the United States applied diplomatic pressure and took a stand in support of Latin American countries during this period will be briefly listed:

(1) The Bidlock Treaty of 1846 with New Granada (Colombia) guaranteeing the latter's sovereignty over the Panama Isthmus as a warning against further British encroachment in that area.

(2) The Clayton-Bulwer Treaty with England (1850) in which both countries disclaimed intention to occupy or colonize "Nicaragua, Costa Rica, the Mosquito Coast or any part of Central America."

(3) President Pierce's protest to England in 1853 over

establishment of a colony in the Bay Islands of Honduras, and the subsequent negotiations between the United States and Great Britain which resulted in the return of the Bay Islands to Honduras in 1859.

(4) Secretary of State Seward's strong representations to Spain in 1861 in connection with the reannexation of Santo Domingo by Spain, proclaimed May 19, 1861.

(5) The strong protest by the United States to France in connection with her occupation of Mexico, 1861, followed by the threat of United States military action in 1864 and 1866.

(6) United States protest to Spain in 1864 in connection with the latter's occupation of the Chinca Guano Islands and the planned reconquest of Peru.

(7) The strong stand taken by the United States in 1895 in connection with British attempts to solve its boundary dispute with Venezuela by armed intervention. The United States' stand was so strong as to be a virtual ultimatum to England and resulted in British abandonment of their aggressive project and agreement to submit the dispute to arbitration.

President Cleveland's strong stand in this latter dispute was widely applauded throughout Latin America and United States popularity reached new heights at this time.

C. The Era of United States Interventions

The era of United States intervention in Latin America commenced with the inauguration of President Theodore Roosevelt and lasted until the administration of President Franklin D. Roosevelt.

This era saw the intensification of Latin American nationalism and the focusing of the fears and suspicions of these countries on the United States. It saw the development of a close spirit of collaboration between the Latin American republics in opposition to the threat of the "Colossus of the North." It caused the Monroe Doctrine to fall into discredit, transforming it, in the eyes of the Latin Americans, into a symbol of imperialism and aggression. It led to the growth of Pan-Hispanic and Pan-Latin movements at the expense of an in opposition to Pan-Americanism, and to rapprochement with European powers, such as Spain, France, England and Germany.

Whereas the nationalistic antiforeign attitude had been fostered by threats and acts of European intervention, the reliance placed on the Monroe Doctrine and on the United States as the protector of their sovereignty and territorial integrity had kept this feeling from becoming too intense and was certainly channelled toward Europe rather than toward the United States. The beginning of United States intervention in the Caribbean brought about an intensification of this feeling, and a diversion to what seemed to them a more immediate and greater danger.

Each new intervention provided the spur for a new wave of intensified nationalism, for more and more speeches, books, and editorials attacking the United States and--what was considered synonymous with United States policy--the Monroe Doctrine.

Pronouncements were made at various times during the period by United States Presidents and Secretaries of State to reassure the Latin American republics as to the aims of the United States, but our

actions appeared to them to be less than reassuring. The concurrent spread of United States economic interests, in itself creating points of friction, helped to reinforce the strength of the anti-United States feeling. This was further assisted by subtle propaganda by our competitors for Latin American markets and economic control--namely, England, France, Germany, Spain, and Italy.

Official statements made by Presidents and Secretaries of State and embodying the new theory that the United States claimed hegemony over the Western Hemisphere had been made at intervals commencing with President Johnson in 1868, but no overt acts had been committed, and the high purpose of the statements had been in general to uphold the principles of the Monroe Doctrine and to protect Latin American countries from foreign interference.

In 1870 President Grant negotiated a treaty of annexation with Santo Domingo, but it was not ratified by the United States Senate.

The principle of United States overlordship had been announced as early as 1870 by Grant's Secretary of State, Hamilton Fish. Its classical exposition was Secretary Olney's statement in a communication to the British Prime Minister, Lord Salisbury, of June 20, 1895, which after stating the United States strong stand on the British-Venezuela boundary dispute, bluntly affirmed:

> "Today the United States is practically sovereign on this continent, and its fiat is law upon the subjects to which it confines its interposition. Why? It is not because of pure friendship or good will felt for it. It is not simply by reason of its high character as a civilized state, nor because wisdom and justice and equity are the unvariable characteristics of the dealings of the United States. It is because, in addition to all

> other grounds, its infinite resources combined with its isolated position render it master of the situation and practically invulnerable as against any or all other powers."

The overt acts which, in the eyes of Latin American statesmen, patriots, and writers, constituted unwarranted intervention and infringement of sovereignty, commenced with the imposition of the Platt Amendment to the Cuban Constitution, giving the United States unquestioned rights of intervention in that republic.

Other acts which, regardless of their justification by United States in terms of an overriding national interest, contributed to create an atmosphere of hostility and suspicion in the Latin American countries were:

(1) United States help to the revolutionaries in Panama resulting in the secession of that province from Colombia, and its immediate recognition of the new republic.

(2) The cession of the Canal Zone to the United States by Panama immediately after recognition.

(3) Establishment by the United States of an economic protectorate and control over Santo Domingo in 1905, in order to collect debts owed by that country to foreign creditors.

(4) Armed intervention by President Taft in Nicaragua in 1909 to protect United States nationals.

(5) President Theodore Roosevelt's message to Congress of December 6, 1904, expressing United States right to intervention and to exercise an international police power--the "big stick" policy.

(6) United States occupation of Cuba 1906-1907.

(7) The United States treaty with Nicaragua, August 5, 1914, in which Nicaragua gave the United States exclusive rights to construct and maintain an interoceanic canal, plus lease of the Corn Islands, in exchange for financial assistance.

(8) President Wilson's intervention in Mexico in order to overthrow the government of President Huerta, and United States naval attack on Vera Cruz on April 21, 1914, resulting in United States occupation of that city until November of that year.

(9) United States occupation of Santo Domingo from May 4, 1916 until 1924.

(10) United States occupation and control of Haiti from August 1915 to 1933.

(11) United States imposition of the puppet Estrada-Dias regime in Nicaragua in 1911, and armed intervention in its support in 1912.

(12) United States armed punitive expeditions sent into Mexico in 1916.

(13) United States intervention in Costa Rica in 1919 to protect foreign property.

(14) Refusal of President Wilson to recognize governments which came to power by revolution.

The issues of intervention and recognition were the most important issues confronting the Pan-American Congresses held during the first thirty years of this century.

D. Economic Penetration

At the same time that political and armed intervention was

taking place in the Caribbean, a great increase in the tempo of economic expansion of United States interests in Latin America was taking place. In some cases loans were made to venal dictators on onerous terms, and without proper safeguards, and some of the republics were heavily mortgaged as a result. When these loans were defaulted in the late 1920's, considerable pressure was brought to bear on Washington for intervention and assistance in obtaining their recovery.

At the turn of the twentieth century the United States had become the major customer of Brazil, Central America, Colombia, Mexico, and Venezuela, taking 53, 36, 35, 73, and 46 per cent of their exports respectively. Argentina, Uruguay, and the Pacific Ocean republics were at that time outside the United States commercial orbit and tied primarily to Europe. Except in Mexico and Central America, we still were far behind Europe in the control of the import trade of Latin America.

Between 1900 and 1914 imports into the United States from Latin America rose from $160,000,000 to $467,000,000, and exports to those countries from $105,000,000 to $273,000,000, and this period saw a marked increase in trade with Argentina and the Pacific Ocean countries. By this time the trade pattern had been well established, and the one-crop status of most Latin American countries was deeply entrenched in their economy.

The trend toward greater dependence on United States markets and suppliers took a pronounced rise during the First World War. By 1917 the United States was taking about 50 per cent of the Latin American exports and furnishing over half of their imports, while England, the previous leader, was taking about 20 per cent of the

exports and furnishing about 14 per cent of the imports. The supremacy of the United States as the most important customer for their raw materials, and most important supplier of manufactured articles has remained uncontested since that time.

The United States market has been, naturally, the most important factor affecting the economic stability of the countries so dependent on it for their livelihood. Although this tended to create ties of friendship and cordial relations, it could not fail to arouse fears, and to create concern among the Latin Americans at the economic dependence so clearly established. It was natural that politicians should blame the foreign economic control for many of their local ills. When fluctuations in the market prices created dislocations of the internal economy. Blaming the foreigner to divert public reaction from the government, assignment of ulterior motives to the "Octopus of the North," and appeals to patriotic aspects of nationalism, were frequently resorted to by the ruling cliques to cover their inefficiency, their venality, and their disregard of internal social problems.

A tendency developed, as a result of a realization of foreign economic control, to attempt to break down this control by governmental regulation, by trade restrictions, by requiring the employment of high proportion of nationals in all industrial and commercial activities controlled by foreigners, and in extreme cases, by confiscation, expropriation and nationalization of foreign holdings. An attempt was also made to develop local industries, to diversify the domestic economy, and to erect protective barriers and import restrictions. These were manifestations of a new economic nationalism, and received great impetus

during the severe domestic dislocations brought about by the aftermath of World War I and the world economic depression of the 1930's.

E. The Good Neighbor Policy

A strong, resentful, and hostile spirit of nationalism had become a part of the political scene of Latin America when the United States commenced a reversal of its interventionist policies with the advent of the Hoover administration, and embarked on an active policy of rapprochement under President Franklin D. Roosevelt. The timing was fortunate, for by this time the poisons of the extreme European nationalistic movements, Fascism and Nazism, had begun to find their way to the New World.

The hostile attitude toward the United States was particularly noticeable at the Havana Conference of 1928. At this conference the United States had only four supporters: Peru, Nicaragua, Cuba, and Panama. (The political influence of the United States in the latter three was widely recognized, and Peru was accused of attempting to gain favor with the United States in the Tana-Arica dispute.) All others solidly lined up against the United States on the subject of intervention.

When Hoover became president he initiated a policy of nonintervention, and made progress toward liquidation of our intervention in Haiti, Nicaragua, and Santo Domingo. At the same time Wilson's policy of nonrecognition of revolutionary governments was abandoned.

The policy of nonintervention was strongly implemented by President Roosevelt, and his words were backed up by unmistakable actions that did much to decrease Latin American feeling of hostility

toward the United States. Some of the positive actions taken to convince Latin Americans of the sincerity of the United States were:

(1) Refusal of President Roosevelt to invoke the Platt Amendment during the disorders in Cuba in August 1933, resulting from overthrow of the Machado dictatorship.

(2) Abrogation of the Platt Amendment, by a treaty signed May 29, 1934. This was a most widely hailed example of good will and sincerity.

(3) United States unqualified support of the nonintervention proposal (previously opposed at Havana) at the Inter-American Conference at Montevideo, 1933.

(4) Complete evacuation of Haiti by 15 August 1934.

(5) Revision of the Panama-United States Treaty in favor of Panama, and relinquishing United States right of intervention--March 2, 1936.

(6) New treaty with Dominican Republic abandoning legal right to financial supervision--1940.

(7) Recognition of the Martinez regime in El Salvador--January 1934.

(8) Refusal to intervene in Mexico during the bitter dispute between the Mexican Government and the oil companies.

(9) Completion of trade agreements to promote trade within the hemisphere, which had declined as a result of the depression and the high tariff barriers erected.

Chapter V
EUROPEAN-INSPIRED NATIONALIST MOVEMENTS

Beginning with the Spanish Civil War of 1936, strong efforts were made by Spain, Italy, and Germany to export their nationalistic movements to Latin America.

The Spanish Falangists undertook a strong propaganda campaign, appealing to the "common race, culture and religion" arguments, to organize the Spanish American states as a new force under Spain's guidance. This propaganda had some sentimental appeal in certain quarters, and particularly among the more reactionary groups of landowners who included a fair number of pro-Spain, antiliberal elements.

The Italian and German campaigns took several forms. Where colonies of immigrants of German nationality were present, German Bunds were organized as nuclei for future political and military action when the occasion should arrive to take over the countries of the New World under German supremacy. In Brazil there were sizeable German colonies in the states of Rio Grande do Sul and Santa Catarina, and here the German pro-Fascist organizations met with considerable success. Otherwise the efforts to create revolutionary nuclei were not very successful.

Fascist parties, generally supported by Germany embassy funds, appeared in Uruguay, in Peru (the Civilistas), in Mexico (the Sinarquistas), in Chile (the Nacistas), in Brazil (the Integralistas), and in Bolivia (the Nationalist Revolutionary Movement).

The German military missions that had trained many of the military leaders had considerable influence, and many of the officers did not hide their admiration for German military efficiency.

With the exception of Argentina and Bolivia, the countries involved took prompt and effective action to suppress these dangerous activities. In Argentina, the rise in 1943 of a frankly fascist, extremely nationalistic regime has kept the fascist element strong in that country. In Bolivia, although Axis activities were severely curtailed, the fascist element retained much of its strength during World War II.

Chapter VI
THE SECOND WORLD WAR AND ITS AFTERMATH

The Second World War submerged many of the factors that had tended to promote excessive nationalism. Military and economic measures taken for the prosecution of the war drew the various countries together and closer to the United States, and in general, the previous hostilities were forgotten or lay dormant. The great fund of good will accumulated by the United States due to its prewar policy of nonintervention served us in good stead, and helped to smooth over many otherwise sensitive negotiations. That the fears of United States aggression had been largely allayed is shown by the willingness of the various republics to cooperate by granting bases, accepting military missions, and allowing extensive use of their territory by United States military forces. Such arrangements would have been unthinkable in 1932.

In the economic field, the Latin American countries were closely tied to the United States, exporting to us almost all their raw materials, increasing production to meet our greater demands, and receiving most of their manufactured goods from this country in such

amounts as we were able to spare. There were some grave problems due to the shortage of shipping, the accumulation of large dollar balances in Latin American countries, and their inability to obtain many goods required for their domestic economy, with the resultant skyrocketing of prices.

At the completion of the war, the Latin American countries had a favorable foreign exchange balance of over three billion dollars. These credits were a strong inflationary pressure on international trade. With the removal of internal controls in the United States, prices rose, and the scarcity of commodities found the Latin Americans unable fully to convert their credits into much-needed goods.

The general postwar economic situation created an upsurge of economic nationalism throughout the world, and Latin America was not excepted.

The dislocations caused by the artificial wartime economies made each country painfully aware of the dangers of complete dependence on other countries for the health of their domestic economy. The reaction generally took the direction of attempting to reach some degree of economic autonomy, or at least some improvement of their bargaining position vis-a-vis the major countries which were both customers and suppliers. The trend has been toward:

(1) Build-up of internal processing industries.

(2) Industrialization.

(3) Close control of imports and exports, and of foreign exchange.

(4) National control of the production of the primary

commodities representing the countries' major export.

(5) Reduction of the foreign debt and liquidation of foreign capital holdings.

In Argentina, the militant fascist regime under Colonel Peron has carried out these measures to the greatest extent, and at such a pace that the internal economy has been seriously disrupted. The liquidation of foreign assets has been one of the major objectives of the Argentine program, as has an attempt at rapid industrialization at the expense of the traditionally agrarian economy. The external debt has been almost entirely liquidated, and in its place the internal debt has assumed very large proportions.

Chapter VII
THE EFFECT OF THE KOREAN WAR

By 1950, the Latin American economies had entered a period of slump. Most of their World War II credits had been utilized, at inflated prices, and their prewar markets had not been re-established. The curtailment of United States imports with demobilization, the cessa ion of emergency production programs, and the failure of European trade to make up for the partial loss of United States trade had placed them in an unsound position. Plans for industrialization based on expectation of continued favorable balances and assumed availability of manufacturing facilities had to be sharply curtailed.

Many of the Latin American major crops are competitive with those of the British Commonwealth and Empire. During the war this competition disappeared almost entirely, but the postwar years saw a

revival which forced many prices down. One of the complaints made by Latin Americans about United States economic policies since World War II is that the United States has been subsidizing the British Empire colonies where labor costs are kept even lower than in Latin America, and they feel let down after the tremendous wartime emphasis on hemispheric self-sufficiency which caused overdevelopment of production in some areas such as rubber and tin. There is a feeling that the United States has been building up the Latin American's major competitor in world markets. These competitors have the additional advantage of Empire preference, whereas the Latin Americans in general do not have such a privileged status in the dollar area.

During the first ten years of the Roosevelt Administration, great stress was placed on Inter-American trade. The Western Hemisphere played a major part in the economic policy of the United States. First the fear of loss and then the loss itself, of the Asiatic colonies, made us turn to Latin America as the potential source of many vital raw materials.

After the war, United States policy has been reoriented, in the eyes of Latin Americans, away from the Western Hemisphere and toward Europe and Asia. We are accused of ignoring our neighbors, and of artifically building up European and Asiatic competitors for them.

The advent of the Korean War and United States rearmament again created expansion of demand for Latin American products. The price of raw materials rose again, and production was again stimulated. Exports of United States goods were again restricted, so Latin America

began to build up dollar credits, much in the same manner as during the World War. Lessons learned from the aftermath of the war, however, have made the Latin Americans wary. They want to use their credits, and their raw materials are bargaining points in securing assurances that they will be able to obtain a fair portion of the United States manufactures at a noninflated price, and that they will not lose the wartime economic advantages again.

The main theme of the fourth meeting of Consultation of the Foreign Ministers, held at Washington in April 1951, was a desire on the part of the Latin Americans to obtain assurances from the United States which would safeguard their economic development programs in spite of the necessity for emphasizing raw material production. The threat of unilateral control of prices of raw materials by the United States was a particularly sensitive point to the Latin Americans.

Most of the Latin American countries have retained, and in some cases, strengthened their wartime trade and exchange controls, in order to safeguard their internal economies and to maintain stronger bargaining positions vis-a-vis the United States. In general, they have tried to extend governmental control over production and export of the strategic materials which they produce, and thus to obtain favorable trade agreements during this period.

Chapter VIII
CONCLUSIONS

The nationalism of the Latin American republics, except possibly in Argentina, is not the expansive, aggressive type developed

in Fascist Italy and Nazi Germany. It does not have primarily racial, cultural, or ideological bases. It is essentially of a local, rather than regional nature. Its main objective is to assert each country's right and desire to be master in its own house, to attain an increasing measure of economic independence, and to resist foreign domination of any type.

For many years, the fear of United States expansionism channelled nationalism into a solid front of hostility toward the United States. Political domination was felt to be the great danger to their sovereignty and independence. This phase of Latin American nationalism has now receded into the background. The increased confidence in the United States, based on United States performance during the last 20 years, is backed up by regional guarantees of nonintervention and nonaggression, and by reliance on the moral strength of the United Nations. The Latin Americans no longer fear United States intervention in the political and military fields.

The Latin American republics realize that in many respects they have remained economic colonies of the great powers, and their desire is to obtain economic independence, so that they can improve the standard of living of their peoples. They feel that much of their national wealth is being syphoned off, and that only a small part of the proceeds is available to them for internal development and improvement of the living standards.

The objectives of this type of nationalism are not in conflict with the larger interests of the United States. A rise in the standard of living of the 153,000,000 inhabitants of Latin America cannot help

but increase the strength of the Western World.

Danger is present only if the objectives of this new nationalism are thwarted. The Communist threat in Latin America, in spite of sporadic attempts at penetration by Soviet Russia is not, in the main, serious at this time. Were the peoples to become convinced, however, that their aspirations for a fuller participation in the wealth of their resources do not have much hope of realization under the current political and economic regimes, the Communist parties could not help but gain powerful stimulus in their campaign to subvert the minds of the people.

The dangers present in Latin America are then, not in the nationalist spirit that has asserted itself in most countries, but in our possible failure to utilize it adequately for our own benefit. The answer lies in positive action to support the forces trying to strengthen the internal economies and the international commercial position of the various countries. We must recognize that in some areas these objectives may clash with our policies in support of the colonial economies of our Great Power Allies.

As contrasted with Europe, where military security considerations are paramount, our program of assistance to Latin American should be almost entirely in the direction of economic development, and should be frankly based on mutual benefits.

The specific actions required have been well known, and were in fact carried out to some extent during the last war. Money grants, easy credits, or lend-lease type of assistance will be looked on with suspicion by the Latin Americans. Being actively engaged in liquidating

some of the old mortgages, they are not anxious to mortgage their future again. They desire to be active participants in any program for their development, and they desire to obtain, for their own use, a larger share of their national wealth. Rapid industrialization will not solve their problems. They require a long-range program of readjustment of their economies to the realities of twentieth century economics.

In brief the major elements of a successful program are:

(1) Agricultural Reform. The complete dependence of each country on one or two major export crops and the concentration of land holdings in the hands of a privileged few will have to be broken before real progress can be made in any other direction. This will be a painful process in most countries, but United States technical and World Bank financial assistance may provide the means for accomplishing it over a long period without a revolutionary upheaval.

(2) Limited Industrialization. Industrialization should be channelled primarily toward development of processing industries for the raw materials produced, and toward extensive development of consumer's goods industries. Heavy industry development should not be encouraged until a broad base of supporting light industry is a going concern. The almost complete lack of coal in most Latin American countries makes the development of heavy industry a poor economic proposition at this time.

(3) Power Development. Extensive development of hydro-electric facilities is necessary as a basis for an improved living standard and for development of industry.

(4) Transportation Development. The archaic transportation

and distribution system must be modernized and extended before the productivity of most countries can be materially enlarged.

(5) Technical Education. Massive technical assistance will be required for all programs, and this can only be decreased in time by a manyfold increase in the technical education programs of most countries concerned.

(6) Diversification of Internal Tax Structures. At present most Latin American countries obtain the main part of their revenues from customs duties and export taxes. Internal revenue measures such as land and direct taxes could shift some of the load and make government financial stability less dependent on world market conditions.

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In the case of Argentina, we have the elements of a Fascist movement superimposed on legitimate nationalism.

The Peron regime has shown evidence of the militant, intransigent, spirit which characterized Italian Fascism, after which it is to some extent patterned.

Our relations with the Argentine should take account of the frankly hostile attitude of the present regime toward the United States. They should avoid the appearance of interfering in the internal affairs of the Argentine, as this will rally other Latin American republics to Peron's defense, but at the same time they should not tend to strengthen his internal position.

In spite of the great efforts made to attain economic independence, Argentina is still heavily dependent on foreign trade for its economic stability. Peron's position will be strengthened if he is

successful in obtaining the co-operation of the United States and Great Britain in carrying out his economic development programs on his own terms. The $125,000,000 credit granted in 1950 by the Export-Import Bank helped Peron but did not change his attitude. Economic pressure, particularly in the direction of channeling trade and investment away from Argentina and toward competing Latin American countries will help to weaken Peron's hold without arousing the hostility of the other Latin American countries.

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